

S.B. 13-213 - Introduced Version

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Funding average period (basis for calculating total program) is the first half of previous school year and the last half of the school year before that	
Funded membership is preschool average daily membership (ADM) plus on-line ADM plus ASCENT ADM plus greater of ADM for funding averaging period or averaged ADM for up to 5 years	
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Note: statewide base X size factor = per-pupil funding (PPF)	
Size factor applies to districts with less than 4,300 funded membership	
At-risk: 20%-40% increase on statewide base	
ELL: 20%-40% increase on statewide base	
On-line/ASCENT: funded at statewide base	
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New TP formula: (accounting district PPF X (funded membership - on-line/ASCENT)) + mill levy equalization + at-risk + ELL + on-line + ASCENT	
Funded membership and funding averaging period defined the same for districts and institute charter schools	
Mill levy equalization: amount equal to statewide total district per-pupil mill levy overrides	
At-risk: 20%-40% increase on statewide base	
ELL: 20%-40% increase on statewide base	
On-line/ASCENT: funded at statewide base	
§22-54.5-203: Local and state shares - total program mill levy.....	pp. 46-54

- (1) - (2): Recalculation of state and local shares based on district assessed valuation, median income, poverty; recalculated 2014-15, 2020-21, and every 6 years after
- (3) (a) - (c): Mill levy can't increase to more than 25 mills, can't decrease, can't exceed TABOR revenue limit if district still subject to TABOR limit
- (3) (d): If district's total program decreases in 2015-16 and revenues from required TP mill levy exceed 2015-16 total program, excess mills transferred to cost of living mill levy override and applies to cap
- (4) (a) - (b): If district's local share increases and new state funding is less than 2014-15 state share, district must seek mill levy increase at least once while new local share applies; if district doesn't increase mill levy, will receive hold harmless funding until local share recalculated
- (4) (c) - (d): No substantive change from existing law [§22-54-106, C.R.S.]
- (5) (a): Authorization to continue collecting previous mill levy overrides
- (5) (b) - (7): No substantive change from existing law [§22-54-106, C.R.S.]
- §22-54.5-204: Buy-out of categorical programs. pp. 54-55**
 No substantive change from existing law [§22-54-107, C.R.S.], except removed English Language Proficiency Act from prioritization of categoricals
- §22-54.5-205: Mill levy override - operating moneys. pp. 55-60**
 Similar to existing law [§22-54-108, C.R.S.]
 District must levy required TP mill levy before can seek override
 Capped at greater of: 25% TP plus teacher and leadership investment moneys (TLI); or 25% TP for 2014-15 without negative factor plus TLI plus amount of buy-out and state moneys received for categoricals; or \$200,000
 District that receives voter approval on or after July 1, 2014, for mill levy override must distribute per-pupil amount to each district charter school, unless received approval for specific program that charter school doesn't offer
- §22-54.5-206: Mill levy override - early childhood education. pp. 60-63**
 Similar to existing full-day kindergarten override [§22-54-108.5, C.R.S.], but for early childhood education programs
 District must levy required TP mill levy before can seek override
 No cap
 District that receives voter approval on or after July 1, 2014, for mill levy override must distribute per-pupil amount to each district charter school, unless received approval for specific program that charter school doesn't offer
- §22-54.5-207: Mill levy override - technology and building maintenance and operation. pp. 63-65**
 Mill levy override to provide funding for technology and maintenance and operation of buildings
 District must levy required TP mill levy before can seek override
 No cap
 District that receives voter approval on or after July 1, 2014, for mill levy override must distribute per-pupil amount to each district charter school, unless received approval for specific program that charter school doesn't offer
- §22-54.5-208: Mill levy override - cost of living. pp. 65-68**
 Mill levy override to provide funding for cost of living expenses for district employees
 District must levy required TP mill levy before can seek override
 Capped at amount that cost of living factor generated for 2014-15 total program without the

negative factor; may increase with inflation beginning 2016-17 District that receives voter approval on or after July 1, 2014, for mill levy override must distribute per-pupil amount to each district charter school	
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No substantive change from existing law [§22-54-110, C.R.S.]	
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Funding for districts, district charter schools, and institute charter schools in addition to total program funding in amount of:	
First year: \$600/student (excluding on-line and ASCENT)	
Second and subsequent years: 50% of amount received from state revenue increase for education, divided by statewide ADM (excludes on-line and ASCENT)	
§22-54.5-302: Hold-harmless moneys.	pp. 77-78
For districts that receive less in state funding (state share plus TLI) following recalculation of local/state shares	
Hold-harmless amount equal to the difference in amount received in state share before and after recalculation	
Local share plus state share plus hold-harmless moneys cannot exceed greater of total program for applicable budget year or total program for 2014-15 (with negative factor)	
§22-54.5-303: Mill levy equalization payment.	pp. 78-82
District with fewer than 10,000 combined ADM/on-line ADM that increases mill levy (for TP or override) by at least 2.5 mills receives mill levy equalization payment if 2.5 mills on district's assessed valuation (AV) generates less than 2.5 mills on statewide AV	
Mill levy equalization payment equals the per-pupil amount generated by 2.5 mills on statewide AV multiplied by district's combined ADM/on-line ADM, minus amount generated by 2.5 mills on district's AV	
District that receives mill levy equalization payment must distribute per-pupil share to each district charter school	
§22-54.5-304: Mill levy elections - administrative costs.	p. 82
District that must increase TP mill levy can seek reimbursement for election costs if required to pay them by county clerk and recorder	
§22-54.5-305: Small attendance center aid.	pp. 83-84
Substantially similar to existing law [§22-54-122, C.R.S.], but institute charter schools no longer eligible for small attendance center aid	
§22-54.5-306: National school meal programs.	pp. 84-86
No substantive change from existing law [§§22-54-123, 22-54-123.5, C.R.S.]	
§22-54.5-307: Declining enrollment districts with new charter schools.	pp. 86-88
No substantive change from existing law [§22-54-126, C.R.S.]	
§22-54.5-308: State assistance for charter schools - capital construction.	pp. 88-93
No substantive change from existing law [§22-54-124, C.R.S.]	
§22-54.5-309: Contingency reserve fund.	pp. 93-96
No substantive change from existing law [22-54-117, C.R.S.]	
§22-54.5-310: Education innovation grant program.	pp. 96-103
New grant program - educators, districts, charter schools, boards of cooperative services	

may apply
 Majority of moneys earmarked for expanded learning time initiatives; small portion
 available for technical support for applicants
 Grant recipients selected by education innovation board, appointed by governor
 General Assembly's intent to appropriate annually to the grant program the first \$100
 million received from increase in state revenues for public education

Part 4 of Article 54.5 of title 22: Administration.	pp. 103-132
§22-54.5-401: County public school fund.	pp. 103-105
No substantive change from existing law [§22-54-113, C.R.S.]	
§22-54.5-402: Adjustments in valuation for assessment.	p. 105
No substantive change from existing law [§22-54-111, C.R.S.]	
§22-54.5-403: Joint districts.	p. 106
No substantive change from existing law [§22-54-118, C.R.S.]	
§22-54.5-404: Valuations for assessment - reports.	pp. 106-107
No substantive change from existing law [§22-54-112, C.R.S.]	
§22-54.5-405: Average daily membership - reports - calculation.	pp. 107-114
Districts and institute charter schools report membership per school day for each quarter (including preschool, at-risk, ELL, on-line, and ASCENT)	
Department calculates ADM, preschool ADM, at-risk ADM, ELL ADM, on-line ADM, and ASCENT ADM for each quarter, half-year, full-year, and funding averaging period and uses ADMs to calculate funded membership and funding	
For new institute charter schools, department uses:	
For first year: projected membership for first school day, recalculating funding if membership for first half of first year is different;	
For second year: membership for first half of first year, recalculating funding if membership for first half of second year is increased	
For any year in which institute charter school is adding grades: membership for funding averaging period, recalculating funding if membership for first half of current year is increased	
If a district or an institute charter school's ADM increases during first half of the then-current year by more than the statewide average increase in enrollment, department will recalculate funding using memberships for first half of then-current year	
§22-54.5-406: Attendance in district other than district of residence.	p. 114
No substantive change from existing law [§22-54-109, C.R.S.]	
§22-54.5-407: State public school fund.	pp. 114-117
No substantive change from existing law [§22-54-114, C.R.S.]	
§22-54.5-408: Distribution from state public school fund.	pp. 117-123
Substantially similar to existing law [§22-54-115, C.R.S.] except:	
Includes TLI moneys in estimate for required annual appropriation	
Institute charter school moneys paid directly to state charter school institute - not calculated as part of accounting district's state share	
State appropriates, and department distributes, money for supplemental funding for district charter school if charter school's ADM increases as a result of adding grade levels (see discussion below)	
§22-54.5-409: Facility school funding.	pp. 123-126

No substantive change from existing law [§22-54-129, C.R.S.]

§22-54.5-410: Funding - allocation within districts. pp. 126-130

Districts must annually calculate district per-pupil amounts of at-risk funding and ELL funding, based on district at-risk pupil and ELL ADMs; distribute per-pupil amounts to district charter schools based on ADMs; distribute state share of per-pupil amounts to non-charter district schools based on ADMs

Each charter school, each non-charter school, and the district must use at-risk and ELL funding on programs that primarily serve at-risk and ELL pupils

District can seek waiver from state board of requirement to distribute funding to non-charter schools based on implementation of a different student-based funding allocation plan that distributes significant portion of funding to control of principals in non-charter schools

§22-54.5-411: National school lunch eligibility. pp. 130-132

No substantive change from existing law [§22-54-112 (4), C.R.S.]

Bill Section 2: District Charter School Funding. pp. 132-152

§22-30.5-111.5: Charter schools financing. pp. 132-147

District charter schools funding based on ADMs, the same as districts and institute charter schools

For new district charter schools, district uses:

For first year: projected membership for first school day;

For second year: membership for first half of first year, recalculating funding if membership for first half of second year is increased

For any year in which charter school is adding grades: membership for funding averaging period, recalculating funding if membership for first half of current year is increased

If district charter school's membership is recalculated mid-year, district notifies department and department pays the increase as supplemental funding for the charter school

District charter school's funding:

100% district PPF multiplied by ADM; may reduce up to 5% for central administrative overhead costs;

100% ASCENT program funding for ASCENT ADM;

100% at-risk and ELL funding for at-risk and ELL ADMs;

100% TLI moneys for ADM (excludes on-line and ASCENT);

100% per-pupil special education moneys for charter schools authorized after effective date of section; charter school and district may negotiate regarding special education funding and who provides services

District charter school's funding if district ADM is less than 500:

100% of PPF, ASCENT, at-risk, ELL, and TLI, minus actual per-pupil share of central administrative overhead costs; or

85% of PPF plus 100% of ASCENT, at-risk, ELL, and TLI

District on-line charter school's funding:

100% on-line funding for on-line ADM; may reduce up to 5% for central administrative overhead costs;

100% at-risk and ELL funding for at-risk and ELL ADMs

District on-line charter school's funding if district ADM is less than 500:

100% on-line funding and at-risk and ELL funding, minus actual per-pupil share of

central administrative overhead costs; or
 85% of on-line funding plus 100% at-risk and ELL funding
 District charter schools also receive:
 capital construction state education fund moneys (no change from existing law);
 small attendance center aid (no change from existing law)
 proportionate share of state and federal categorical fund moneys (no change from existing law);
 per-pupil share of mill levy overrides authorized after July 1, 2014; if district fails to distribute, may lose exclusive chartering authority
 per-pupil share of mill levy equalization payments; if district fails to distribute, may lose exclusive chartering authority
 mid-year adjustment in funding if district receives mid-year recalculation of ADMs and adjustment in funding

Provisions not substantially changed from existing law [§22-30.5-112, C.R.S.]:

Direct costs; purchase of services
 Reduction in payments for direct payments of interest on bonds
 Providing federally required educational services
 Ability to bill district of residence for excess costs tuition for special education services
 Accepting gifts, grants, and donations; end-of-year balance remains in charter school's fund

§22-30.5-111.7: Financial reporting - request for accounting...... pp. 148-152
 No substantive change from existing law [§22-30.5-112 (2)(a.4) and (7)-(10), C.R.S.]

Bill Section 3: Institute Charter School Funding

§22-30.5-513.5: Institute charter schools - funding. pp. 153-162

Substantially similar to existing law [§22-30.5-513, C.R.S.] except:

Makes conforming amendments to reflect new calculation of institute charter schools TP funding and receipt of TLI;
 Makes conforming amendments to reflect use of ADM, at-risk ADM, ELL ADM, on-line ADM, and ASCENT program ADM, calculation for first and second years of operation, and calculation for years in which institute charter school adds grade levels
 Amounts withheld by institute are calculated on TP only, not on TLI

Bill Section 4: Colorado Preschool Program Changes...... pp. 162-167

§22-28-104.1: Establishment of preschool programs. pp. 162-164

Substantially similar to existing law [§22-28-104, C.R.S.] except:

Clarifies that institute charter schools may participate in the Colorado preschool program;
 Removes the limitation on the number of preschool pupils a district or institute charter school may enroll; all eligible 3-, 4-, and 5-year old children may participate; pupils must meet existing risk-factors

§22-28-107.1: District and institute charter school preschool

programs - plans. pp. 164-167

Substantially similar to existing law [§22-28-107, C.R.S.] except:

Clarifies that institute charter schools may participate in the Colorado preschool

program;
The department does not need to select from among the plans submitted by districts and institute charter schools; each district and institute charter school may choose to participate and enroll students in preschool programs that meet the requirements of the Colorado preschool program; preschool program requirements are not changed from existing law

Bill Section 5: Technology and Building Maintenance and Operation Fund

§22-45-103 (1) (I): Funds - technology and building maintenance and operation fund. pp. 168

Conforming amendment for new technology and building maintenance and operation fund
mill levy - creates fund in district budgets

Bill Section 6: Financial reporting

§22-44-105: Budget - contents - mandatory. pp. 169-171

Districts, charter schools, boards of cooperative services (BOCES), and the state charter school institute must comply with the statewide financial reporting system, which must include comparable reporting of expenditures at the school-site level, district level, institute level, and BOCES level;
Standard chart of accounts must require reporting of expenditures, including salary and benefit expenditures, at the school-site level, but district with ADM of 1,000 or fewer may decide whether to report at school-site level;
Reporting system must require each charter school, district, BOCES, and the institute to report actual salary amounts and benefit expenditures by type of benefit;
Department will create website view that translates reported expenditures into format that's readable by lay person and comparable across schools, districts, BOCES, and the institute

Bill Sections 7-9: Categorical funding changes. pp. 171-172

§22-24-104: English language proficiency program - funding. p. 171

Beginning in the 2015-16 budget year, the General Assembly will no longer appropriate moneys specifically to fund the English Language Proficiency Act

§22-33-205: Services for expelled and at-risk students - grants. p. 171

Beginning in the 2015-16 budget year, the General Assembly will no longer appropriate moneys specifically to fund the grant program for services for expelled and at-risk students

§22-20-114: Special education funding. p. 172

Beginning in the 2015-16 budget year, the General Assembly will increase the per-pupil and high-cost funding for special education services by the amounts previously appropriated to the English Language Proficiency Act and the grant program for services for expelled and at-risk students

Bill Section 10: Exclusive Charter Authority

§22-30.5-504: Institute chartering authority - exclusive charter authority pp. 172-174

Most districts have the exclusive authority to authorize charter schools within the boundaries of the district; the institute cannot authorize institute charter schools that would exist within the boundaries of a district with exclusive chartering authority

If a district fails to distribute a per-pupil share of the mill levy override revenues approved on or after July 1, 2014, or a per-pupil share of the mill levy equalization payments received, the state board must revoke the district's exclusive chartering authority

A district may regain exclusive charter authority after complying with the distribution requirements for 6 months